

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MINNESOTA**

In re:

WYNIT DISTRIBUTION, LLC, *et al.*¹
Debtors.

Jointly Administered Under

Case No. 17-42726

Chapter 11 Cases

NOTICE OF RECLAMATION DEMAND

PLEASE TAKE NOTICE that on September 22, 2017, FixMeStick Technologies, Inc. (successor-in-interest to Steam Tree Systems, Inc., d/b/a FixMeStick Technologies, Inc.) (“FixMeStick”) delivered a letter to the Debtors asserting reclamation demands pursuant to § 2-702 of the Uniform Commercial Code and/or § 546(c)(1) of the United States Bankruptcy Code, for the return of all goods that FixMeStick had sold or delivered to the Debtors within forty-five (45) days before the Debtors’ bankruptcy filing date of September 8, 2017 (the “Reclamation Demand Letters”).

PLEASE TAKE FURTHER NOTICE that a copy² of the Reclamation Demand Letter is attached hereto.

PLEASE TAKE FURTHER NOTICE that FixMeStick’s demands for reclamation are without prejudice to any other rights and remedies available to FixMeStick, at law or in equity, including but not limited to, FixMeStick’s right to an allowed administrative expense claim under § 503(b)(9) of the Bankruptcy Code for all goods received by the Debtors’ within twenty (20) days before the date of commencement of the Debtors’ bankruptcy case. FixMeStick reserves its rights to amend or supplement the demands or make additional demands.

¹ The Debtors in these chapter 11 cases are the following: Wynit Distribution, LLC (Case No. 17-2726), WD Navarre Distribution, LLC (Case No. 17-42728), WD Encore Software, LLC (Case No. 17-42729), WD Navarre Digital Services, LLC (Case No. 17-32865), WD Navarre Holdings, LLC (Case No. 17-32864), Wynit Holdings, Inc. (Case No. 17-32866), WD Navarre Canada, ULC (Case No. 17-32867).

² Sensitive information has been redacted.

Dated: September 28, 2017

/s/ James M. Jorissen

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September 22, 2017

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Benefit Counsel

WYNIT Distribution, LLC
c/o Robert T. Kugler, Esq.
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150 S. 5th Street, Suite 2300
Minneapolis, MN 55402

**VIA CERTIFIED MAIL, FIRST CLASS
MAIL AND E-MAIL**
Robert.kugler@stinson.com

Re: WYNIT Distribution, LLC and Affiliated Debtors, Case No. 17-42726 (D. Minn.)
Notice and Demand for Reclamation of Goods and Twenty-Day Claim

Dear Mr. Kugler:

Our firm represents the creditor, FixMeStick Technologies, Inc. (successor-in-interest to SteamTree Systems, Inc. d/b/a FixMeStick Technologies, Inc.).

Reclamation Claim

Demand is hereby made upon WYNIT Distribution, LLC and its affiliated debtors, including WD Navarre Distribution, LLC and WD Navarre Canada, ULC (the "Debtor") under the Uniform Commercial Code and under 11 U.S.C. §546(c) of the United States Bankruptcy Code for the return of goods consisting of shipments and deliveries received during the applicable periods referred to in the above cited section (45 days from the petition date, or from July 25, 2017 to September 8, 2017), and specifically including, but not limited to goods described in the attached Schedule A enclosed herewith.

FixMeStick Technologies, Inc. and the Debtor entered into a Master Business Supply Agreement pursuant to which the Debtor distributed FixMeStick Technologies, Inc.'s products to retailers. Between July 25, 2017 and the petition date, September 8, 2017, the Debtor and its affiliates were insolvent within the meaning of 11 U.S.C. §101(32). In the ordinary course of its business,

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FixMeStick Technologies, Inc. delivered identifiable product to the Debtor, or to its affiliates, including WD Navarre Distribution, LLC and WD Navarre Canada, ULC, for distribution to retailers, with a value of \$[REDACTED] between the July 25, 2017 and the petition date, September 8, 2017. On September 8, 2017, Debtor, or its affiliates, including WD Navarre Distribution LLC and WD Navarre Canada, ULC, continued to have possession of FixMeStick Technologies, Inc.'s identifiable product with a value of \$[REDACTED]

Please contact me for instructions regarding the return of the goods. In the event you are unable to segregate our shipments and affect a return, we hereby demand immediate payment for that product which has been consumed and is covered by our legal rights to reclaim such product, given the Debtor's financial status.

In light of the Debtor's recent bankruptcy filing, you are further notified that all goods subject to our right of reclamation should be protected and segregated and should not be used for any purpose whatsoever except as specifically authorized following a notice and hearing in the Bankruptcy Court.

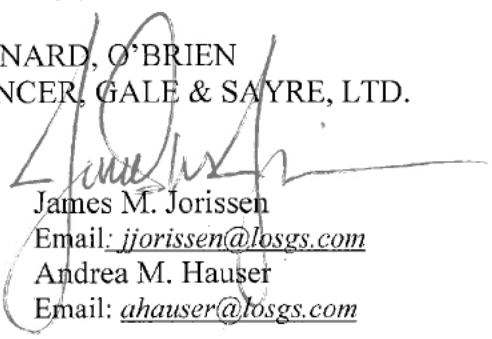
Twenty-Day Claim

Demand is hereby made upon WYNIT Distribution, LLC and its affiliated debtors, including WD Navarre Canada, ULC, under 11 U.S.C. §503(b)(9) of the United States Bankruptcy Code for the return of goods consisting of shipments and deliveries received during the applicable periods referred to in the above cited section (20 days from the petition date, or from August 21, 2017 to September 8, 2017), and specifically including, but not limited to goods described in the attached Schedule A enclosed herewith.

In the ordinary course of its business, FixMeStick Technologies, Inc. delivered identifiable product to the Debtor, or to its affiliates, including WD Navarre Canada, ULC, for distribution to retailers, with a value of \$[REDACTED], between August 21, 2017 and the petition date, September 8, 2017. FixMeStick Technologies, Inc. asserts a twenty-day administrative claim against the Debtor and its affiliates in the amount of \$[REDACTED] under 11 U.S.C. §503(b)(9).

Very truly yours,

LEONARD, O'BRIEN
SPENCER, GALE & SAYRE, LTD.

By: 
James M. Jorissen
Email: jjorissen@lsgs.com
Andrea M. Hauser
Email: ahauser@lsgs.com

Enclosure
cc: Martin Algire

WD Navarre Shipments

Order #	Date shipped	Date arrived	Destination	Qty	Product	Price/Unit	(before tax)	invoice	Freight Carrier	Tracking #
WD Navarre Distribution, LLC - Term Sales										
3229997	2017-07-18	2017-07-25	Navarre Memphis Terms	1200	728028184143 3PC/ 1YR	USD		4250	Old Dominion	24501799704
3230398	2017-07-21	2017-07-28	Navarre Memphis Terms	1000	728028184143 3PC/ 1YR	USD		4251	Old Dominion	24501757074
3230660	2017-08-08	2017-08-14	Navarre Memphis Terms	1200	728028184143 3PC/ 1YR	USD		4252	Fedex	740005082553
3230960	2017-08-09	2017-08-15	Navarre Memphis Terms	1280	728028184143 3PC/ 1YR	USD		4253	Fedex	740005083814
3231124	2017-08-10	2017-08-16	Navarre Memphis Terms	378	728028444841 3PC/ 1YR	USD		4254	Fedex	779909129566
WD Navarre Canada, ULC - Consignment Sales										
3231585	2017-08-18	2017-08-21	Navarre Mississauga Consignment	378	728028382082 FMS9ZAFSTD-CO	CAD		4227	Fedex	770059822162

WD Navarre Distribution, LLC - Consignment Sales
N/A